

**AMHERST-PELHAM REGIONAL SCHOOL DISTRICT**

8-Apr-09

- I. CERTIFICATION OF PRIOR FISCAL YEAR FINANCIAL DATA  
II. ASSESSMENT NOTICE (FY2010) Based on Governor's House 1 Budget

In accordance with Section VII, Part b, of the Amherst-Pelham Regional School District Agreement (as amended) and Chapter 71 Section 16B of the General Laws the following is hereby certified.

**I. EXCESS & DEFICIENCY FUND (CHAPTER 71 SEC. 16B):**

The amount by which the unencumbered amount in the Excess & deficiency Fund at the end of the preceding fiscal year, as certified by the commissioner of revenue, exceeds five percent of the regional school district's operating budget and its budgeted capital costs for the current fiscal year: \$0.00

**II. ASSESSMENTS (FY2010):**

Note: The Regional School Committee has voted a FY10 Budget of \$28,636,214 (a 1.8 percent increase over FY2009). The School Committee has also voted to assess member towns \$16,512,671, based on the Regional Agreement assessment method, which reflects a 3.2 percent increase in total assessment.

HOWEVER: All member towns must vote to adopt the Regional Agreement assessment method. Unless unanimous, the District must use the Statutory Assessment Method specified in MGL Chapter 70, Section 6.

**REGIONAL AGREEMENT ASSESSMENT METHOD**

FY10 adopted budget, voted by Regional School Committee on April 7, 2009: \$28,636,214

	Amherst	Pelham	Leverett	Shutesbury	Total
<b>TOTAL ASSESSMENT</b>	<b>\$12,829,201</b>	<b>\$1,083,410</b>	<b>\$1,165,155</b>	<b>\$1,434,905</b>	<b>\$16,512,671</b>

Assessment calculated per the Regional Agreement method as voted by the school committee and forwarded to the member towns for approval. See attached assessment calculation sheet for details.

**STATUTORY ASSESSMENT METHOD**

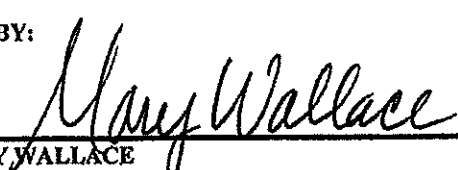
FY10 adopted budget, voted by Regional School Committee on April 7, 2009: \$28,636,214

	Amherst	Pelham	Leverett	Shutesbury	Total
<b>TOTAL ASSESSMENT</b>	<b>\$12,785,622</b>	<b>\$1,150,900</b>	<b>\$1,384,689</b>	<b>\$1,191,460</b>	<b>\$16,512,671</b>

Assessment calculated per the Statutory Assessment Method that must be used unless all member towns vote to use the Regional Agreement Method. See attached assessment calculation sheet for details.

After all member towns have voted their preference of assessment method, a final certification will be issued with assessments listed in quarterly payments.

CERTIFIED BY:

  
MARY WALLACE  
DISTRICT TREASURER

Date:

4/8/09

# STATUTORY PROCEDURE FOR CALCULATING REGIONAL ASSESSMENTS

DISTRICT: AMHERST-PELHAM REGIONAL (7-12)

(Conforms to DOE Recommended Method)

A. DOE REFORM DATA:		Chapter 70										(12)
DOE ID#	MEMBER TOWNS	(1) Minimum Contribution	(2) Total CH70 Aid	(3) Minimum Aid	(4) Foundation Growth Aid	(5) Foundation Gap Aid	(6) Hold Harmless	(7) New Region Aid	(8) New Choice Aid	(10) Supplemental Aid	(11) NET SCH. SPENDING	CH70 to Stab. Fund FY2010
008	Amherst	8,524,254	0	0	0	0	0	0	0	\$0		0
230	Pelham	791,858	0	0	0	0	0	0	0	0		0
154	Leverett	993,516	0	0	0	0	0	0	0	0		0
272	Shutesbury	715,764	0	0	0	0	0	0	0	0		0
		11,025,392	9,883,632	0	0	0	0	0	0	0	20,909,024	0
												90,000
												(90,000)

## B. STANDARDIZED ASSESSMENT CALCULATION:

### I. GROSS BUDGET BY CATEGORY:

Operating Budget (Net Spending Categories)	\$27,358,527
Other Operational Costs:	
School Lunch (Program 66000D)	0
Adult Ed	0
Summer School (Prog 19000D)	0
Crossing Guards (Program 60000D)	2,500
Fixed Assets	247,112
District/Community Services to Towns	0
Transportation (Regular & SPED)	1,028,075
Debt/Capital Projects (no assess for debt exclusion S)	0
<b>TOTAL GROSS BUDGET</b>	<b>\$28,636,214</b>

### II. MINIMUM CONTRIBUTION TEST:

Operating Budget (Net Spending Categories)	\$27,358,527
LESS: NON-CATEGORICAL REVENUES:	
General Fund Revenues:	
Interest	120,000
Other Revenue Sources	0
Application of Choice Tuitions (gross)	650,000
Less DOE ChoiceAid Reduction (Assess in Exp B)	0
Chapter 70 Aid - (Col 2-8 & 12 DOE Data)	9,883,632
Additional proj Aid (House/Senate Cushion)	0
DOE Charter Aid (Assess in Exp Budget)	108,733
Less Transfer to Stabilization Fund	(90,000)
State Ward Reimbursement	0
<b>Total Revenues</b>	<b>\$10,672,365</b>
NET Operating Budget (Net Spending Categories)	\$16,686,162
NOTE: Distribution of excess by Regional Agreement	
Minimum Local Contribution (Col 1 DOE Data)	11,025,392
Over/(Under) Minimum Local Contribution	\$5,660,770

### III. NET CATEGORY BUDGETS:

#### A) Other Operational Costs:

School Lunch	\$0
Adult Ed	0
Summer School	0
Crossing Guards	2,500
Fixed Assets	247,112
District/Community Services to Towns	0
<b>Less: Other Operational Revenues:</b>	
School Lunch	\$0
Other	0
<b>Total Revenues</b>	<b>0</b>
<b>Net Other Operational Costs:</b>	<b>\$249,612</b>

#### B) Transportation:

Less: Transportation Aid	\$1,028,075
Fees	781,178
<b>Total Revenues</b>	<b>0</b>
<b>Net Transportation Costs:</b>	<b>\$246,897</b>

#### C) Debt/Capital Projects:

Less: SBAB State Aid	0
<b>Net Debt/Capital Projects:</b>	<b>\$0</b>

### IV. ASSESSMENTS:

	Amherst	Pelham	Leverett	Shutesbury	TOTAL	
Minimum Local Contribution (Col 1 DOE Data)	8,524,254	791,858	993,516	715,764	\$11,025,392	16,512,671 Assess S
Net Other Operational Costs:	191,178	14,927	23,488	20,019	249,612	9,883,632 CH70 S
Net Transportation Costs:	191,864	16,221	17,332	21,480	246,897	0 Add'l CH70
Net Debt/Capital Projects:	0	0	0	0	0	(90,000) CH70 Stablz
NET Operating Budget (Net Spending Categories)	4,398,984	371,913	397,386	492,487	5,660,770	781,178 Transp S
	13,306,280	1,194,919	1,431,723	1,249,750	17,182,671	15,000 IndCost S
Less: Applied E & D	435,176	36,792	39,312	48,720	560,000	95,000 Medicare S
Less: Applied Indirect Cost Revenue (Grants)	11,657	986	1,053	1,305	15,000	120,000 Interest S
Less: Applied Medicaid	73,825	6,242	6,669	8,265	95,000	108,733 Charter Aid S
<b>TOTAL ASSESSMENT:</b>	<b>12,785,622</b>	<b>1,150,900</b>	<b>1,384,689</b>	<b>1,191,460</b>	<b>16,512,671</b>	650,000 Choice S
CH70 AID PAYMENT TO REGION:	0	0	0	0	9,883,632	560,000 E&D
<b>TOTAL PAYMENT TO REGION:</b>	<b>12,785,622</b>	<b>1,150,900</b>	<b>1,384,689</b>	<b>1,191,460</b>	<b>26,396,303</b>	28,636,214 TOTAL SS

### C. Regional Agreement Formula for Cost Distribution:

	(Percent)	Amherst	Pelham	Leverett	Shutesbury	
Debt % rate applied to new (Town non-debt exclusion) issues	Debt	77.72%	5.75%	8.70%	7.83%	100.00% EQV % locked at Debt vote
Capital % is based on DOR Biennial Equalized Valuations	Capital	76.59%	5.98%	9.41%	8.02%	100.00% % based on Biennial EQV
Operating % is District 5 year moving average	Operating	77.71%	6.57%	7.02%	8.70%	100.00%

FY10: AID PER DOE (Projected - Based on FY10 DOE Governor's House 1 Budget & DOE SS/web site)

CALCULATING REGIONAL ASSESSMENTS PER REGIONAL AGREEMENT (Gross Budget less Applied Revenues = Net per 5yr pupil moving avg with capital items at equalized valuation %)

DISTRICT: AMHERST-PELHAM REGIONAL (7-12)

A. DOE REFORM DATA:		Chapter 70										(12)
DOE ID#	MEMBER TOWNS	(1) Minimum Contribution	(2) Total CH70 Aid	(3) Minimum Aid	(4) Foundation Growth Aid	(5) Foundation Gap Aid	(6) Hold Harmless	(7) New Region Aid	(8) New Choice Aid	(10) Supplemental Aid FY01	(11) NET SCH. SPENDING	CH70 to Stab. Fund FY2010
008	Amherst	8,524,254	0	0	0	0	0	0	0	\$0		0
230	Pelham	791,858	0	0	0	0	0	0	0	0		0
154	Leverett	993,516	0	0	0	0	0	0	0	0		0
272	Shutesbury	715,764	0	0	0	0	0	0	0	0		0
		11,025,392	9,883,632	0	0	0	0	0	0	0	20,909,024	0
TOTAL AID										9,883,632		90,000
												(90,000)

B. STANDARDIZED ASSESSMENT CALCULATION:

I. GROSS BUDGET BY CATEGORY:

Operating Budget (Net Spending Categories)	\$27,358,527
Other Operational Costs:	
School Lunch (Program 66000D)	0
Adult Ed	0
Summer School (Prog 19000D)	0
Crossing Guards (Program 60000D)	2,500
Fixed Assets	247,112
District/Community Services to Towns	0
Transportation (Regular & SPED)	1,028,075
Debt/Capital Projects (no assess for debt exclusion S)	0 % Inc/(Dec)
TOTAL GROSS BUDGET	\$28,636,214 1.83%

II. MINIMUM CONTRIBUTION TEST:

Operating Budget (Net Spending Categories)	\$27,358,527
LESS: NON-CATEGORICAL REVENUES:	
General Fund Revenues:	
Interest	120,000
Other Revenue Sources	0
Application of Choice Tuitions (gross)	650,000
Less DOE ChoiceAid Reduction (Assess in Exp Budget)	
Chapter 70 Aid - (Col 2-8 & 12 DOE Data)	9,883,632
Additional proj Aid (House/Senate Cushion)	0
DOE Charter Aid (Assess in Exp Budget)	108,733
Less Transfer to Stabilization Fund	(90,000)
State Ward Reimbursement	0
Total Revenues	\$10,672,365
NET Operating Budget (Net Spending Categories)	\$16,686,162
NOTE: Distribution of excess by Regional Agreement	
Minimum Local Contribution (Col 1 DOE Data)	
Over/(Under) Minimum Local Contribution	\$16,686,162

III. NET CATEGORY BUDGETS:

A) Other Operational Costs:

School Lunch	\$0
Adult Ed	0
Summer School	0
Crossing Guards	2,500
Fixed Assets	247,112
District/Community Services to Towns	0
	\$249,612
Less: Other Operational Revenues:	
School Lunch	\$0
Other	0
Total Revenues	0
Net Other Operational Costs:	\$249,612

B) Transportation:

Less: Transportation Aid	\$1,028,075
Fees	781,178
	0
Total Revenues	781,178
Net Transportation Costs:	\$246,897

C) Debt/Capital Projects:

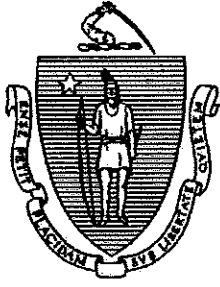
Less: SBAB State Aid	\$0
	0
Net Debt/Capital Projects:	\$0

IV. ASSESSMENTS:

	Amherst	Pelham	Leverett	Shutesbury	TOTAL	
Minimum Local Contribution (Col 1 DOE Data)	0	0	0	0	\$0	16,512,671 Assess S
Net Other Operational Costs:	191,178	14,927	23,488	20,019	249,612	9,883,632 CH70 S
Net Transportation Costs:	191,864	16,221	17,332	21,480	246,897	0 Add't CH70
Net Debt/Capital Projects:	0	0	0	0	0	(90,000) CH70 Stablz
NET Operating Budget (Net Spending Categories)	12,966,816	1,096,281	1,171,369	1,451,696	16,686,162	781,178 Transp S
	13,349,858	1,127,429	1,212,189	1,493,195	17,182,671	15,000 IndCost S
Less: Applied E & D	435,176	36,792	39,312	48,720	560,000	95,000 Medicare S
Less: Applied Indirect Cost Revenue (Grants)	11,657	986	1,053	1,305	15,000	120,000 Interest S
Less: Applied Medicaid	73,825	6,242	6,669	8,265	95,000	108,733 Charter Aid S
TOTAL ASSESSMENT:	12,829,201	1,083,410	1,165,155	1,434,905	16,512,671	650,000 Choice S
CH70 AID PAYMENT TO REGION:	0	0	0	0	9,883,632	560,000 E&D
TOTAL PAYMENT TO REGION:	12,829,201	1,083,410	1,165,155	1,434,905	26,396,303	28,636,214 TOTAL SS

C. Regional Agreement Formula for Cost Distribution:

	(Percent)	Amherst	Pelham	Leverett	Shutesbury	
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Operating % is District 5 year moving average	Operating	77.71%	6.57%	7.02%	8.70%	100.00%



# The Commonwealth of Massachusetts Department of Education

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## Guidance for Regional School Districts

The Board of Education approved amendments to the regulations governing regional school districts (603 CMR 41) at its meeting on January 23, 2007. The revised regulations became effective on February 9, 2007. The purpose of these amendments is to clarify the procedural requirements governing regional school district budgets. There are several areas of these amendments that we wish to highlight. For a complete copy of the most recent Regional School District Regulations go to: <http://www.doe.mass.edu/lawsregs/603cmr41.html>.

### Assessment methodologies:

The new regulations, as recently amended, outline two methodologies available to regional school districts for calculating assessments to member towns. The methodologies are defined in CMR 41.02 and as follows:

1. *Statutory Assessment Method:* The calculation of members' assessments pursuant to the provisions of M.G.L. c. 70 S6. Each such assessment shall be the sum of the following amounts (i) the member's required local contribution to the regional school district as determined by the Commissioner; (ii) the member's share of that portion of the regional school district's net school spending, as defined by M.G.L. c. 70 s. 2, that exceeds the total required local contribution for all members, this share to be allocated pursuant to the assessment provisions of the regional agreement; and (iii) the member's share of costs for transportation, capital project debt service, other capital costs, and all other expenditures not included in the regional school district's net school spending, this share to be allocated pursuant to the assessment provisions of the regional agreement.

- Statutory Language -- Chapter 70, Section 6

*Notwithstanding the provisions of any regional school district agreement, each member municipality shall increase its contribution to the regional district each fiscal year by the amount indicated in that district's share of the municipality's minimum regional contribution in that fiscal year. The district shall appropriate the sum of the minimum regional contributions of its member districts as well as all state school aid received on behalf of member municipalities. The district may choose to spend additional amounts; such decisions shall be made and such amounts charged to members according to the district's required agreement.*

### *Key points:*

- The Regional school district prepares its assessment to each member municipality in a *multi step process*, as follows:
  - The member's required local contribution as determined by the Commissioner of Education in accordance with Chapter 70
  - Any additional share of the region's net school spending that exceeds the total required contribution, this share to be allocated to each member pursuant to the assessment provisions of the regional school district agreement.
  - Transportation and other non-net school spending costs allocated to each member pursuant to the assessment provisions of the regional school district agreement.
  - Capital cost allocated to each member pursuant to the assessment provisions of the regional school district agreement.
- An annual affirmative vote of the appropriating authorities of 2/3 of the members is required.
- Notification to the Department of Education is not required.

2. *Alternative Assessment Method:* The calculation of members' assessments pursuant to the local option provided in the fourth paragraph of M.G.L. c 71, s. 16B. Each such assessment shall be the sum of the following amounts: (i) the member's share of the regional school district's net school spending, as defined by M.G.L. c70 s.2; and (ii) the member's share of costs for transportation, capital project debt service, other capital costs, and all other expenditures not included in the regional school district's net school spending; both such shares to be allocated pursuant to the assessment provisions of the regional agreement.

*Key points:*

- Statutory Language: Chapter 71, Section 16 B (Regional School District Law)

*The members of a regional school district, including a vocational regional school district, may elect to reallocate the sum of their required local contributions to the district in accordance with the regional agreement; provided, however, that the total sum of their required contributions shall not be decreased. Election shall be by approval of all members of the district. Approval of each member shall be given by majority vote at an annual or special town meeting, in the case of towns, or by majority vote of the council, in the case of cities. The commissioner of education shall be notified upon the adoption of this section by this district. Nothing in this section shall be construed to affect the calculation of the members' required local contributions for any succeeding year as provided by chapter seventy of the General Laws.*

- All members of the regional school district must *unanimously* approve this method.
- A vote must be taken *each year* to utilize this method.
- Adoption of this method *must be reported* to the Commissioner of Education on the district's annual end of year pupil and financial report.
- Assessments are annually determined after deducting state aid receipts based on the provisions outlined in the regional school district agreement.
- The total assessment allocated to each member is the sum of the following amounts:
- An assessment for categories defined in c70, s2 as net school spending.
  - Separate assessment(s) for all other operating or capital costs.
- The combined sum of all the members' assessments for net school spending *must* at least equal the district's total net school spending requirement net of state Chapter 70 aid.

**Example 1: Statutory Assessment Method – based on Chapter 70, Section 6**

School Committee Proposed Budget: <i>Net School Spending Categories -</i>	\$9,000,000
Chapter 70 State Aid and Other Revenue	<u>\$3,000,000</u>
Net amount to be raised in assessments	<u>\$6,000,000</u>

	Minimum Local Contribution	Above Minimum Operating Share	Operating % RSD Agreement	Total
Town A	\$1,000,000	\$600,000	30%	\$1,600,000
Town B	\$2,500,000	\$800,000	40%	\$3,300,000
Town C	\$ 500,000	\$600,000	30%	<u>\$1,100,000</u>
<b>TOTAL</b>	<b>\$4,000,000</b>	<b>\$2,000,000</b>	<b>100%</b>	<b>\$6,000,000</b>

*In this example, each town meets its minimum local contribution. The additional \$2,000,000 requested in the school committee budget is apportioned using the regional school district allocation method. The resulting total allocated to each town will not match the regional agreement allocation percentage.*

**Example 2: Alternative Assessment Method – based on Regional Agreement**

	Minimum Local Contribution Total	Operating % RSD Agreement	Operating Share
Town A		30%	\$1,800,000
Town B		40%	\$2,400,000
Town C		30%	<u>\$1,800,000</u>
<b>TOTAL</b>	<b>\$4,000,000</b>	<b>100%</b>	<b>\$6,000,000</b>

*In this example by using the regional school district allocation method, the sum of the members' share more than satisfies the \$4,000,000 total required local contribution. The total amount raised through assessments must equal the sum of the required minimum local contributions as determined by the Commissioner of Education.*

**Comparison:**

	Statutory Assessment Method	Alternative Assessment Method
Town A	\$1,600,000	\$1,800,000
Town B	\$3,300,000	\$2,400,000
Town C	<u>\$1,100,000</u>	<u>\$1,800,000</u>
<b>TOTAL</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>

This is a simplified version of the difference in assessment methodologies for operating expenses defined in Chapter 70, Section 6 as net school spending. All other categories of spending, including but not limited to transportation and capital costs would continue to be apportioned to members based on the current procedure outlined in the regional school district agreement.